



U.S. Department of Justice

*United States Attorney
Eastern District of California*

*McGregor W. Scott
United States Attorney*

*501 I Street, Suite 10-100
Sacramento, California 95814*

*916/554-2700
Fax 916/554-2900*

FOR IMMEDIATE RELEASE
March 22, 2005

*Contact: Patty Pontello, 916-554-2706
Available at: www.usdoj.gov/usao/cae/home*

SHASTA COUNTY AUTO TRANSPORT BROKER CONVICTED

SACRAMENTO--United States Attorney McGregor W. Scott announced today that BILLY D. SOUTHERLAND, 63, of Anderson, California, was convicted today of two felony counts of mail fraud and one felony count of wire fraud. The guilty verdict was returned by a federal court jury in Sacramento after a three week trial before United States District Judge Garland E. Burrell, Jr.

This case is the result of a extensive joint investigation by the Office of Inspector General of the United States Department of Transportation and the Shasta County District Attorney's office, Bureau of Investigation.

According to Assistant United States Attorney Matthew Stegman, who prosecuted the case, the evidence at trial showed that from at least March of 2002, through January of 2004, SOUTHERLAND advertised his auto moving business Southerland Auto on the Internet, using website names such as MovingMyCar.com and many others, to people who needed to have their cars transported from one city to another. Customers would send money to the defendant believing that their vehicles would be picked up for a specified price within 7 to 10 days. SOUTHERLAND would fail to perform within the stated days, and would engage in "bait and switch" tactics, by offering below market prices to lure potential customers to his business. After customers complained that their cars had not been moved, SOUTHERLAND and his

employees would tell the customers to pay more money to "upgrade" for express pickup priority service.

When customers attempted to cancel with SOUTHERLAND, he would refuse to refund some or all of the customer's money, claiming it to be a "non-refundable deposit."

SOUTHERLAND also engaged in tactics designed to prevent dissatisfied customers from complaining to the Better Business Bureau by threatening to charge an additional \$200 above the "non-refundable \$200 deposit" to customers who filed complaints with the Better Business Bureau.

"The Office of Inspector General is committed to working with the Federal Motor Carrier Safety Administration, the regulators of the industry, and state and federal law enforcement agencies to attack cases involving egregious and intentional patterns of defrauding consumers," said Hank Smedley, Special Agent in Charge of the DOT-OIG's regional office in San Francisco.

"We are pleased by the conviction of Mr. Southerland. This office is committed to prosecuting to the fullest, individuals who use deceitful tactics to defraud innocent consumers," stated United States Attorney Scott.

The defendant is scheduled to be sentenced on June 10, 2005, at 9:00.

#